

Environment, Safety and Health

Energy Employees Compensation Initiative

Program Mission

The Administration has proposed legislation to establish an occupational illness compensation program for Department of Energy (DOE) contract workers at the Department's nuclear facilities. The bill has three titles, each addressing a specific group of workers as summarized below.

The Energy Employees' Beryllium Compensation Act would establish a program based on the Federal Employees Compensation Act. Eligible workers will receive reimbursement for prospective medical costs associated with the illness and a portion of lost wages. Alternatively, eligible workers will have the option of receiving a single, lump sum benefit of \$100,000. The program will provide coverage for current and former DOE Federal and contract workers with beryllium disease, including employees of companies who supply DOE with beryllium products. Contract employees of other Federal agencies would not be covered under this proposal.

The Paducah Employees' Exposure Compensation Act recognizes that contract workers at DOE's gaseous diffusion facility in Paducah, Kentucky, were exposed to plutonium and other highly radioactive materials without their knowledge as a result of the Atomic Energy Commission's policy of reusing uranium previously used in the production of plutonium. Current and former Paducah Federal and contract workers would be eligible for benefits under this program if they: (1) were employed for at least one year at the Paducah facility between the time the processing of recycled reactor tailings began, and before February 1992 when protective measures were put in place; (2) worked in a job that led to exposure to radioactive contaminants; and (3) developed a primary lung or bone cancer or one of the 13 specified cancers listed in the Radiation Exposure Compensation Act (42 U.S.C.). Workers who meet the criteria established above would be eligible to submit a compensation claim to the Department of Justice. Awards would be a lump sum payment in the amount of \$100,000.

The Energy Employees Pilot Project Act provides authority for the Secretary of Energy to provide compensation of \$100,000 to a specific group of workers at the Oak Ridge, Tennessee site who have been examined by an independent panel of occupational physicians to determine if their illnesses have been caused by DOE workplace exposures.

Program Goal

- # Recognize unique occupational health hazards associated with work at DOE facilities.
- # Recognize special needs of workers who were unknowingly exposed to dangerous materials, or who were not adequately protected from these exposures.
- # Establish a workers compensation program for beryllium-exposed workers with beryllium disease or sensitivity modeled after the Federal Employee's Compensation Act system.

- # Establish a compensation program for Paducah employees who were exposed to radioactive contaminants associated with the processing of recycled reactor tailings and who have a specified cancer associated with exposure to radiation modeled after the Radiation Exposure Compensation Act.
- # Conduct a pilot program to examine the possible relationship between workplace exposures to radiation, hazardous materials, or both, and occupational illness or other adverse health conditions and provide eligible individuals with compensation.

Program Objectives

- # The objective for the Beryllium Compensation Program is to compensate workers meeting the legislation's eligibility criteria. The definition of "covered illness" represents the Department of Energy's understanding of the current state of medical knowledge on the demonstrated method of establishing beryllium sensitivity or chronic beryllium disease and will be updated as medical knowledge advances.
- # The objective of the Paducah Employees' Exposure Compensation Program is to compensate Paducah workers meeting the legislation's criteria for eligibility for employment, exposure, and illness.
- # The objective for the Energy Employees' Pilot Project Compensation Program is to have a panel of occupational health physicians examine eligible current and former employees of the Department of Energy's East Tennessee Technology Park. The Secretary of Energy, based on a report by the physicians panel, will determine whether any of these employees have sustained an illness or other adverse health condition from their employment and may make an award to the employee of \$100,000.

Performance Measures

- # Provide funds for eligible employees to receive compensation.
- # Provide funds for program administration.
- # Prepare an annual report to Congress on the administration of the Beryllium Compensation Fund.
- # Issue regulations, guidelines, and procedures necessary to carry out this program within 270 days after the date of enactment of these titles.

Significant Accomplishments and Program Shifts

Significant accomplishments and program shifts are defined within the respective business line descriptions that follow.

Funding Profile

(dollars in thousands)

	FY 1999 Current Appropriation	FY 2000 Original Appropriation	FY 2000 Adjustments	FY 2000 Current Appropriation	FY 2001 Request
Beryllium Compensation Fund	0	0	0	0	12,800
Paducah Fund	0	0	0	0	2,200
Energy Employees' Pilot Project Fund . .	0	0	0	0	2,000
Total, Exposure Compensation Activities	0	0	0	0	17,000

Funding by Site

(dollars in thousands)

	FY 1999	FY 2000	FY 2001	\$ Change	% Change
All Other Sites - Washington Headquarters	0	0	17,000	+17,000	100.0%
Total, All Other Sites - Washington Headquarters	0	0	17,000	+17,000	100.0%

Site Description

All Other Sites - Washington Headquarters (Includes Commercial Contracts, Other Federal Agencies, and Universities)

These funds will be expended from Headquarters either through Interagency Agreements or Memoranda of Understanding with other Federal agencies or through the Department of Energy's administrative handling of the project.

Beryllium Compensation Fund

Mission Supporting Goals and Objectives

The Beryllium Compensation Fund provides benefits to Department of Energy (DOE) employees, and employees of the Department's contractors and vendors, who, as a result of exposure to dust particles or vapor of beryllium while performing duties uniquely related to the Department's nuclear weapons production program, have suffered a disability or have died due to beryllium sensitivity or chronic beryllium disease.

The legislation would establish a workers' compensation program for these employees modeled after the program for Federal employees established under the Federal Employees Compensation Act administered by the Department of Labor. Eligible workers will receive prospective reimbursement for medical costs associated with the illness and a portion of lost wages. Alternatively, eligible workers will have the option of receiving a single, lump sum benefit of \$100,000. As with other workers' compensation programs, the legislation provides that this program will be an exclusive remedy for individuals against the United States, DOE, and DOE contractors and subcontractors. The program will provide coverage for current and former DOE Federal and contract workers with beryllium disease, including employees of companies who supplied DOE with beryllium products. Contract employees of other Federal agencies would not be covered under this proposal.

The proposed beryllium program will establish uniform and adequate compensation for DOE contract workers and vendor employees. Unlike Federal employees who are covered by a national Federal workers' compensation program, employees of DOE contractors have historically been covered by the various state workers' compensation programs, where benefit schemes for the same illness can vary widely and where it has proven difficult to receive benefits for occupational illnesses.

Significant Accomplishments

- # The Department will establish a Beryllium Compensation Fund and reimburse administrative costs needed to establish and implement a program modeled after the Federal Employees Compensation Act system. The Department will issue regulations designating vendors, processors, or producers of beryllium or related products as "beryllium vendors" for purposes of this legislation. (FY 99: \$0; FY 00: \$0; FY01: \$12.8)

Funding Schedule

(dollars in thousands)					
	FY 1999	FY 2000	FY 2001	\$ Change	% Change
Beryllium Compensation Fund	0	0	12,800	+12,800	100.0%
Total, Beryllium Compensation Fund	0	0	12,800	+12,800	100.0%

Detailed Program Justification

				(dollars in thousands)		
				FY 1999	FY 2000	FY 2001
Beryllium Compensation Fund						
#	The Department will prepare a report with respect to the administration of this title on a fiscal year basis, and will submit this report to Congress. As the Department improves its ability to protect workers from beryllium, under its new work and safety procedures, the program's costs are expected to diminish over time. For the first year and establishment of the fund, \$6 million will go for benefits and \$6.8 million will go to the Department of Labor (or another Federal agency selected by DOE as program administrator) to administer the program			0	0	12,800
	Total, Beryllium Compensation Fund			0	0	12,800

Explanation of Funding Changes from FY 2000 to FY 2001

		FY 2001 vs. FY 2000 (\$000)
Beryllium Compensation Fund		
#	Establish Beryllium Compensation Fund.	+12,800
	Total Funding Change, Beryllium Compensation Fund	+12,800

Paducah Employees' Exposure Compensation Fund

Mission Supporting Goals and Objectives

The Paducah Employees' Exposure Compensation Act is proposed in recognition of the fact the Federal and contract workers at DOE's gaseous diffusion facility in Paducah, Kentucky, were exposed to plutonium and other highly radioactive materials without their knowledge as a result of the policy of reusing uranium in the production of plutonium. Current and former Paducah Federal and contract workers would be eligible for benefits under this program if they were employed at the Paducah, Kentucky, gaseous diffusion plant for at least one year during the period beginning on January 1, 1953, and ending on February 1, 1992, who, during that period, were monitored through the use of dosimetry badges for exposure at the plant to radiation from gamma rays or who worked in a job that, as determined by regulation, led to exposure at the plant to radioactive contaminants, including plutonium contaminants; and who submits written medical documentation as to having contracted a specified cancer after beginning employment at the plant during the indicated period.

Workers who meet the criteria established above would be eligible to submit a compensation claim to the Department of Justice. Awards would be a lump sum payment in the amount of \$100,000.

Significant Accomplishments

- # The Department will establish the Paducah Employees' Exposure Compensation Fund and reimburse administrative costs needed to establish and implement a program modeled after the Radiation Exposure Compensation Act. (FY99: \$0; FY 00: \$0; FY 01: \$2.2)

Funding Schedule

(dollars in thousands)					
	FY 1999	FY 2000	FY 2001	\$ Change	% Change
Paducah Employees' Exposure Compensation Fund	0	0	2,200	+2,200	100.0%
Total, Paducah Employees' Exposure Compensation Fund	0	0	2,200	+2,200	100.0%

Detailed Program Justification

(dollars in thousands)

FY 1999	FY 2000	FY 2001
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Paducah Employees' Exposure Compensation Fund

#	This activity sets forth who is eligible to receive compensation under this legislation, and provides that an eligible employee who files a claim meets the requirements of the legislation and receives \$100,000 as compensation. \$1.2 million is established for payments benefits with \$1.0 million provided to the Department of Justice for administration of the fund.	0	0	2,200
Total, Paducah Employees' Exposure Compensation Fund		0	0	2,200

Explanation of Funding Changes from FY 2000 to FY 2001

FY 2001 vs. FY 2000 (\$000)

Paducah Employees' Exposure Compensation Fund

#	Establish Paducah Employees' Exposure Compensation Fund	+2,200
Total Funding Change, Paducah Employees' Exposure Compensation Fund		+2,200

Energy Employees' Pilot Project Fund

Mission Supporting Goals and Objectives

Under the Energy Employees' Pilot Project program, the Secretary of Energy has the authority to provide compensation of \$100,000 to each member of a specific group of employees at the East Tennessee Technology Park in Oak Ridge, Tennessee, who have been examined by an independent panel of occupational physicians and who have been found to have an illness or other adverse health condition as a result of exposure to radiation, hazardous materials, or both, as part of employment at the facility.

Significant Accomplishments

- # The Secretary of Energy will determine, based upon the physicians panel report, whether any of the employees who are covered by the report may have sustained an adverse health condition from their employment at the facility. The employee may receive an award of \$100,000. If an individual dies before making the election, the employee's survivor may make the election. For eligible employees who elect to proceed under this title, acceptance of benefit payment will be full settlement of all claims against the United States, DOE, a DOE contractor and/or subcontractor, except that the employee would retain the right to proceed under state workers' compensation statute, subject to the reduction-of-benefits provision of the Energy Employees' Pilot Project Act. As proposed under the legislation, the benefits awarded to a claimant under this title would be reduced by the amount of any other payments received by that claimant because of the same illness or adverse health condition, excluding payments for medical expenses under a workers' compensation system. (FY 99: \$0; FY 00: \$0; FY 01: \$2.0)

Funding Schedule

(dollars in thousands)

	FY 1999	FY 2000	FY 2001	\$ Change	% Change
Energy Employees' Pilot Project Fund	0	0	2,000	+2,000	100%
Total, Energy Employees' Pilot Project Fund	0	0	2,000	+2,000	100%

Detailed Program Justification

(dollars in thousands)

FY 1999	FY 2000	FY 2001
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Energy Employees' Pilot Project Fund

#	Employees at the facility eligible for and awarded benefits can elect to proceed and accept payment.	0	0	2,000
Total, Energy Employees' Pilot Project Fund		0	0	2,000

Explanation of Funding Changes from FY 2000 to FY 2001

FY 2001 vs. FY 2000 (\$000)

Energy Employees' Pilot Project Fund

#	New legislation authorizes appropriations for the fund	+2,000
Total Funding Change, Energy Employees' Pilot Project Fund		+2,000